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Congress Faces Central America Aid Plan Defense

Reagan Aides to Seek Support In Hearings for \$9 Billion In Spending Over 5 Years

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WASHINGTON—The Reagan administration this week begins a new round of debate with lawmakers over its plan to spend at least \$9 billion over five years in economic and military aid for Central America.

Secretary of State George Shultz and other top state department officials are scheduled to appear at several congressional hearings starting today to defend the program. And Congress will get another chance soon to examine the U.S. role in the region once Senate confirmation hearings are set for Harry Schlaudeman, whom Mr. Reagan intends to nominate as his special envoy to Central America. Mr. Schlaudeman, a career diplomat, would succeed Richard Stone, a former democratic senator from Florida, who has submitted his resignation effective March 1.

The administration's legislative package, which was sent to Congress last week, is based largely on recommendations made last month by a bipartisan commission headed by former Secretary of State Henry Kissinger. Congressional critics already have attacked the measure, charging that it overemphasizes military solutions to the region's problems. Others question whether such a large dose of aid can be digested by the region, noting several reports that current aid funds aren't being spent efficiently.

The Reagan plan, as reported, calls for \$8 billion in economic assistance and loan guarantees over five years, and an additional \$400 million in emergency economic aid for this year. It also asks Congress for about \$515 million in new military aid for this year and 1985. The plan doesn't include projections of military spending for the following three years; administration officials say these plans haven't been developed.

Administration officials don't expect the replacement of Mr. Stone by Mr. Schlaudeman to bring any changes in policy. Mr. Schlaudeman served recently as executive director of the Kissinger commission and is known to fully support its conclusions. He is considered a professional diplomat. He joined the foreign service in 1954.

A State Department official said Mr. Stone resigned because of a continuing "guerrilla turf war" with Assistant Secretary of State Langhorne Motley, who runs the department's bureau of inter-American affairs. This official says Mr. Stone was regularly excluded from meetings about the region and wasn't given copies of relevant documents.

At his confirmation hearing, Mr. Schlaudeman likely will be asked questions about statements he made in Congress in 1974 concerning a military coup that overthrew Salvador Allende, president of Chile, while Mr. Schlaudeman served as deputy chief of mission in Santiago. Mr. Schlaudeman told Congress the U.S. wasn't involved in the overthrow, although subsequently it became known that the Central Intelligence Agency intervened in Chilean politics.

Yesterday, however, an aide to a liberal senator noted that Mr. Schlaudeman has since been confirmed for several diplomatic posts and that evidence never emerged that he misled Congress.